Judith A. Lockhart (JL 2687) CARTER LEDYARD & MILBURN LLP 2 Wall Street New York NY 10005 Tel: (212) 732-3200 Fax: (212) 732-3232 Attorneys for Respondent UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

SEAMOUNT INTERNATIONAL ASSOCIATION LTD.,

Petitioner,

- against -

KUEHNE & NAGEL LTDA.,

Respondent.

DECLARATION OF JUDITH A. LOCKHART IN SUPPORT OF RESPONDENT'S SUPPLEMENTAL MEMORANDUM OF LAW IN OPPOSITION TO SEAMOUNT'S PETITION TO COMPEL ARBITRATION

06 CV 5648 (LTS)

JUDITH A. LOCKHART, declares under penalty of perjury that the following is true and correct:

- I am a member of the firm of Carter Ledyard & Milburn LLP, counsel for 1. Respondent Kuehne & Nagel Servicos Logisticos Ltda., formerly known as Kuehne & Nagel Limitada (Brazil). I make this declaration based upon my personal knowledge and upon documents and information provided to me relating to the case.
- 2. Carter Ledyard & Milburn LLP replaced Ernest Gelman as counsel in this action after the petition to compel arbitration had been submitted to the Court. Mr.

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Gelman was engaged by Respondent's insurance carrier, Aon, to represent it in connection with an alleged claim for cargo damage by the Cargo's owners. As part of the defense to the cargo damage claim, an indemnification claim was asserted against Seamount in Texas, the alleged principal place of business of Seamount, and in New York, in an effort to preserve the cargo damage indemnification claim against Seamount, as Seamount would not respond to a request to extend the statute of limitations. When it became clear that the cargo damage claim would not be pursued by the owner, Kuehne + Nagel sought to terminate the arbitration proceeding. The insurance carrier was no longer involved and Respondent subsequently sought to replace Mr. Gelman with counsel of its own choosing.

- 3. Attached as Exhibit A are emails From Nancy R. Peterson advising of attachments by HSBC which have not been included in the listing provided to the Court.
- 4. Attached as Exhibit B is a letter from Judith A. Lockhart to Nancy R. Peterson dated October 19, 2006 advising of the improper attachment of funds.
- 5. Attached as Exhibit C is the denial of the request to release the funds received from Nancy R. Peterson on October 26, 2006.
- 6. Attached as Exhibit D is a copy of the Booking Note and the Full Terms of the Carrier's Bill of Lading Form. Two copies are attached as each is more or less legible in different parts.
- 7. Attached as Exhibit E is a true copy of a claim filed by Seamount/Scan-Trans against Kuehne + Nagel Servicos Logisticos Ltda. through the Danish Defence Club covering the same claims at issue here.
- 8. Attached as Exhibit F is the response to Seamount's claim made through the Danish Defence Club.

DECLARATION PURSUANT TO 28 U.S.C. § 1746

I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 14, 2006 New York, New York

Judith A. Lockhart